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Indiana Ethics Commission  
150 W. Market St., Suite 414  
Indianapolis, IN 46204

SHAW R. FRIEDMAN

CARLA J. MORGAN

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PARALEGALS

## Re: Formal Complaint against Ms. Lorraine Harmon

Dear Commission members,

As LaPorte County Attorney, I am submitting this formal Complaint on behalf of LaPorte County Assessor Carol McDaniel, regarding the post-employment activities of Ms. Lorraine Harmon, who was employed as Assistant Director of the Assessment Division, Department of Local Government Finance (DLGF), from approximately April, 2003 through August, 2007. This Complaint alleges that Ms. Harmon violated Indiana Code Section 4-2-6-11 and 42 IAC 1-5-14 by participating in the review and agency approval of LaPorte County's tax year 2006 ratio study while employed by the DLGF and then, following her employment with the State, assisting a disgruntled LaPorte County taxpayer in his repeated challenges to the very same LaPorte County ratio study.

Furthermore, this taxpayer contracted with a firm recommended by Ms. Harmon during her employment with the DLGF in order to challenge the County's 2006 ratio study. Ms. Harmon is now working with this taxpayer and has either a business relationship with him or is, at the very least, reviewing the work product of the firm she recommended to the taxpayer.

During Ms. Harmon's employment with the DLGF, her responsibilities included reviewing and approving (subject to the approval of her superiors) sales ratio studies provided to the DLGF by each Indiana county. (Generally speaking, sales ratio studies measure the accuracy and uniformity of local property tax assessments.) While at the DLGF, Ms. Harmon was involved in the review of the ratio study provided to the DLGF by LaPorte County for tax year 2006, which was approved by the agency. This study was conducted by Nexus Group (Nexus), an Indiana property tax consulting firm, representing approximately twenty (20) Indiana counties (approximately 40% of all real estate parcels located in Indiana). The methodology used by Nexus for the LaPorte County study was identical to that used for every other study performed for Nexus clients, at least some of which were reviewed and approved by Ms. Harmon.

During Ms. Harmon's employment with the DLGF, she was contacted by William

Wendt, a disgruntled LaPorte County taxpayer. Mr. Wendt contracted with Robert Denne of the out-of-state firm - *Almy, Gloudemans, Jacobs & Denne* - to challenge the County's 2006 ratio study. Indeed, the *Almy* firm was recommended to Mr. Wendt by Ms. Harmon.

Following her employment with the DLGF, Ms. Harmon assisted and continues to assist Mr. Wendt in his challenge to the 2006 LaPorte County ratio study. In addition, her work for Mr. Wendt requires some business relationship with him or at minimum, a review of the work product of Mr. Denne.


It is our belief that the post-employment activities of Ms. Harmon violate Indiana Code Section 4-2-6-11, which prohibits a former state employee from representing or assisting a person in a particular matter with which the person substantially participated in during employment with the state. On behalf of LaPorte County Assessor Carol McDaniel, the undersigned respectfully urges the Indiana Ethics Commission to review these post-employment activities of Ms. Harmon and to recommend any sanctions or remedies as are determined just and appropriate.

A copy of Ms. Harmon's deposition, taken in the matter of *Keith Sandin v. Michigan Township Assessor et al*, (Cause No. 46-021-0501-5-00002 pending before the Indiana Board of Tax Review) provides documentation for many of the claims listed above and will be supplied upon request.

Please do not hesitate to direct any inquiries to the attention of the undersigned.

Very truly yours,

**FRIEDMAN & ASSOCIATES P.C.**



By Shaw R. Friedman  
Attorney at Law

SRF/lk